

U. S. MILLIONS TO MOVE CROPS

McAdoo Will Pour Treasury Funds Into South and West.

DENIES AN EMERGENCY

Commercial Paper Will Be Accepted as Security for Deposits.

NEELY DEMANDS INQUIRY

Resolution Urges That Secretary Be Called Upon to Prove Conspiracy.

WASHINGTON, July 31.—Important developments affecting the proposed banking and currency legislation in Congress and financial conditions in the country at large occurred to-day.

Secretary of the Treasury McAdoo announced that he would deposit between \$25,000,000 and \$50,000,000 in the national banks of the South and West to help in the harvesting and movement of crops. He will accept commercial paper as part security for these deposits. This will be the first time in the history of the Treasury that it has accepted security of this character.

Secretary McAdoo denied that his action was due to any immediate emergency.

Senator Tillman of South Carolina issued a statement in which he declared that the cotton planters of the South would lose \$100,000,000 within the next sixty days unless they get relief for the movement of their crops.

Representative Neely of Kansas, a member of the Pule committee, has a resolution calling for an investigation of Secretary McAdoo's charge that New York bankers are engaged in a conspiracy to depress Government 2 percent bonds and defeat the Administration currency bill. Neely bitterly assailed Wall Street and New York bankers.

The Banking and Currency Committee of the House made a concession to the bankers of the country by adopting an important amendment to the currency bill. This amendment provides for the creation of a board of bankers to cooperate in a purely advisory capacity with the Federal reserve board of the new banking system.

Secretary McAdoo's friends doubt now if he will be able to offer any proof sustaining his conspiracy charges against New York bankers.

There is good reason to believe that Mr. McAdoo's attack was issued without the knowledge of President Wilson.

MILLIONS TO MOVE CROPS.

McAdoo Will Accept Commercial Paper as Security for Deposits.

WASHINGTON, July 31.—For the first time in its history the Treasury Department is to accept commercial paper as security for Government deposits in national banks. Secretary of the Treasury McAdoo announced this evening that he would deposit in the banks of the South and West from \$25,000,000 to \$50,000,000 to be used in the movement and marketing of the unusually large crops. Besides prime commercial paper and United States bonds, the Secretary will accept State and municipal bonds as security.

On April 30 Secretary McAdoo announced his willingness to deposit \$10,000,000 in national banks at 2 percent interest and this already has been taken up. There is on deposit in national banks \$55,000,000. Secretary McAdoo's announcement that he is willing to put \$25,000,000 in the banks, therefore, will bring the total up to over \$100,000,000.

Here is Secretary McAdoo's statement: "Secretary McAdoo announced to-day that to facilitate the movement and marketing of the unusually large crops which are beginning to be harvested he has determined to transfer from the Treasury to the national banks 30 percent of the national banks in the West and South, where such funds can be most advantageously employed for the purpose, from \$25,000,000 to \$50,000,000.

The Secretary said that it is not practicable to scatter these funds by depositing them in the smaller cities, especially in view of the character of special deposits. Therefore the funds will be placed with the national banks in two or three principal cities in each of the States where harvesting is in progress and where the demand for funds for moving crops can most conveniently be accommodated.

The Secretary will require the banks to return the money to the public Treasury when the crops shall have been moved. The present suggestion is that 15 percent be repaid in December, 30 percent in January, 30 percent in February and 25 percent in March next.

Securities Acceptable.

In order to make these special deposits available to the banks on securities readily within their reach the Secretary will accept as security prime commercial paper in addition to Government and high class State, municipal and other bonds. The commercial paper submitted shall first be passed upon and approved by the clearing house committee of the banks in which the banks offering such paper may be located. All commercial paper and bonds must finally be passed upon and accepted by the Secretary.

"As security for such deposits Government bonds will be accepted at par, other bonds at 75 percent of their

COPPER COUNTRY TERRORIZED.

One Miner Arrested While Trying to Dynamite Military Camp.

CALUMET, Mich., July 31.—Martial law or concentration camps for the wives and children of non-union miners, and in fact unemployed non-union men themselves, are suggested as the only solutions for the situation that is rapidly developing throughout the copper country. Whole districts were terrorized last night and today by groups of miners who made the families of non-union miners the object of their intimidation.

Appeals for protection from the many small mining communities were almost continuous. The cavalry sent the disturbers scurrying to cover.

Threats of a horrible and terrifying nature are being made to the gangs. They force their way into the homes of non-union miners and inform the wives that their husbands must join the union or their homes will be burned and they themselves maimed and killed.

An Austrian attempted to throw three sticks of dynamite to-night into the tent of Company 1 of Jackson but was overpowered by Sergeant Beck after a hand to hand struggle. The Austrian was locked up. He admitted willingness to sacrifice his own life in order to kill half the men of the Jackson company.

That the union leaders expect the trouble to continue, however, was indicated by the announcement that Mother Jones had accepted their invitation and would be here next Tuesday.

FAR FROM THE SOUNDS OF MUSIC.

Composers, Tenors and Conductors Banded Together Against It.

Special Cable Dispatch to The Sun.
ROME, July 31.—Music and all references to the theatre are barred as a topic of conversation among the composers Leoncavallo, Mascagni and Puccini, the tenors Caruso and Bonini and the conductors Mignone, Serafini and Gatti, who are spending a holiday at Montecatini. They are constantly together and have organized an "anti-musical society." Any reference to music or the theatre is punished by expulsion.

AVIATORS NEAR DEATH AS MACHINE BUCKLES

Were on Trial Spin Before Taking Up Passengers at Atlantic City.

ATLANTIC CITY, N. J., July 31.—Five thousand persons this evening saw Ray McMichael Reid, the twenty-two-year-old Philadelphia aviator, and Edward Hoover, his mechanic, escape death by so close a margin it seemed a miracle.

Reid's hydro-aeroplane, travelling at a fifty mile speed at an altitude of 100 feet, buckled and plunged down into Absecon Inlet channel. The aviators were rescued by beach lifeguards and revived on the sand. The machine was wrecked.

Reid was taking a trial spin preparatory to making trips with passengers. A score of them, including several women, were waiting on the beach to make the flights with him.

The aviator coursed out over the choppy sea, first skimming the water and then gliding gracefully to a three hundred foot altitude. Maintaining this level, Reid drove his flying boat for a mile and then turned and put on speed for the shore.

As he neared the beach he volplaned to within a hundred feet of the water. Then he started to make one of his jumping turns. He "bumped" and came about into the face of a strong northwest wind. A sudden gust of wind caught him unprepared. The startled spectators saw the machine stagger, tilt dangerously and then upend.

Straight as a plummet the aircraft plunged to the water, going completely out of sight, taking the two men with it. A lifeboat was put out, also a Government motorboat and both men were rescued.

Aside from general contusions they were unhurt.

MEXICO CANCELS R. R. RATES.

Retaliation on U. S. Commerce Made Brown Resign, It Is Said.

NEW ORLEANS, July 31.—Retaliation on American commerce for failure to recognize the Huerta Government the reason given by local railroad men for a cancellation of all through rates on Mexican business from American railroads, which will become effective on August 3. This notice was given out from Mexico on July 15 and copies of it arrived here to-day.

It stated that on instructions from the Mexican Government, which controls the National Railways of Mexico, all rates and tariffs participated in by Mexican lines in connection with railroads of the United States would be cancelled, effective August 31. Water rates were cancelled, effective July 1, and the notice to that effect was not received until July 15.

Through rates from no other countries have been cancelled. This action was taken, it is asserted, against the strenuous protest of the American traffic heads of the lines, and, it is said, led up to President Brown's resignation, followed by that of General Manager Alfred Clark and C. W. Fish, traffic manager.

ILLINOIS TREASURY FLAT.

Will Be Empty November 1, and Payrolls Will Have to Wait.

SPRINGFIELD, Ill., July 31.—The State of Illinois is in the worst financial condition it has been since it was admitted into the Union. The deficit by January 1, 1914, will not be less than \$10,000,000.

Mercantile concerns doing business with the State cannot hope to receive any money before May 1, 1914. Payrolls even will be defaulted on by November 1.

From November 1, this year, until about May 1, 1914, the State treasury will be practically without funds. The total surplus in the State treasury on July 1, 1913, was only \$418,600.94.

State institutions, including the State University, will have to go to a credit bank entirely until some time in May next.

SULZER SAID TO HAVE BEGGED SCHIFF GIFT

Frawley Committee Expects Affidavit From Banker to Show This.

"UNTRUE," SAYS GOVERNOR

He Also Denies That Signature to the Letter to Elkus Is His.

ALBANY, July 31.—Gov. Sulzer declared to-night that he was not in New York city on October 5 or 14 last, the dates of the Elkus check for \$500 and the Schiff check for \$2,500, which were not included in the Governor's sworn statement of campaign receipts and expenditures filed with the Secretary of State. The Governor also denied writing the letter acknowledging the Elkus check. He asserted that the signature to the letter was not in his handwriting.

The Governor further declared that the corrupt practices act does not require a candidate in his statement filed with the Secretary of State to give the names of contributors, but only the names of those to whom money was paid. This was another reason advanced by Mr. Sulzer why the Schiff and Elkus checks were not included in the Governor's sworn statement. The first explanation, made in the Governor's formal statement of yesterday, was: "I was too busy during the campaign to attend to these details. Others did it for me and I relied on them. I was told the statement was accurate as it could be made."

Mr. Schiff's Affidavit.

When the Frawley committee resumes the investigation of Mr. Sulzer's campaign funds in New York city next Wednesday Jacob H. Schiff's affidavit is expected for presentation to the committee. Mr. Schiff will swear that Gov. Sulzer personally solicited the \$2,500 campaign contribution from him and that the check was given to Louis A. Sarecky in the presence of Mr. Sulzer.

Mr. Schiff wrote to Mr. Sulzer a letter of congratulation upon his nomination for Governor. Mr. Sulzer responded by office to thank him and Mr. Schiff asked the Governor if there was anything he could do for him.

You can help along my campaign fund," was the substance of the Governor's reported reply.

"I will be glad to do so," answered Mr. Schiff.

"How much do you want to give?" asked Gov. Sulzer bluntly.

"Well, I want to give \$2,500," replied Mr. Schiff.

"Is that all that you feel you can give?" remarked the Governor. "Well, all right," and that ended the incident for that day.

The next day at 9 o'clock in the morning the Governor and Louis A. Sarecky, his confidential secretary, called upon Mr. Schiff at his office in the Kuhn, Loeb & Co. banking house and the \$2,500 check was passed over to Mr. Sarecky, across its face being written "Mr. Schiff's contribution toward William Sulzer's campaign expenses."

Mr. Schiff May Testify.

This conversation will be related in substance in Mr. Schiff's affidavit, and if the affidavit is questioned then Mr. Schiff will be subpoenaed to take the stand and give his testimony in person.

Gov. Sulzer's friends declared to-night that Mr. Schiff is angry at him for pardoning Folke E. Brandt and is delighted at this opportunity to get even with the Executive. When Gov. Sulzer was asked to-night whether or not he personally solicited the check of Mr. Schiff he replied: "I did not."

In a formal statement issued yesterday Gov. Sulzer said:

"I did not know that Mr. Schiff had sent a check to a friend for \$2,500 until I was threatened about it last May. The Frawley committee should produce this check. It was not sent to me or made to my order, and the man who got it will tell all about it at the proper time."

While the Frawley committee is proceeding with its plans to discredit the Governor through their efforts toward impeachment Gov. Sulzer is planning to find out just where he stands with the rank and file of the Democratic party in the State. The Governor's call for a meeting at the Executive chamber Monday night on Saturday morning on the Coast Limited, leaving at 7:10 P. M., will also give the Governor opportunity to learn the attitude of the party's local leaders.

Secretary Platt's Statement.

"This conference will be a most important one in view of the history of the past few weeks," said Chester C. Platt, secretary to the Governor, to-night in a prepared statement which had the endorsement of the Governor. "For urging that the Democratic party be true to its platform pledges the Governor has been furiously assailed by the political bosses of both parties, every effort has been made to blacken his reputation and his enemies have even gone to the point of threatening his impeachment."

"The Governor desires to know the attitude of every State committeeman and county chairman with regard to these attacks. Committeemen and county chairmen, who for any reason are asked to send a proxy to represent them."

The Rev. O. R. Miller, who is the editor of the *Reform Bulletin*, which last week charged three Tammany Senators with soliciting a bribe to kill an anti-collection agency bill, may have an opportunity to tell to the Frawley committee the names of the three Senators.

As the committee was about to adjourn to-day Chairman Frawley inquired of Counsel Eugene Lamb Richards if he had subpoenaed Mr. Miller.

"Not yet," responded Mr. Richards. "But I am investigating that story to see if there is anything in it, and I propose that it be investigated if there is."

In view of the fact that Gov. Sulzer

LAKE GEORGE PARTY IN SLIDE.

Nearly Plunged Into Mountain Ravine by Collapse of a Trestle.

LAKE GEORGE, July 31.—A party of guests at the Hotel Worden narrowly escaped from being plunged into a deep ravine on Prospect Mountain when a portion of an abandoned railway trestle to the summit gave way while the party was descending the mountain this afternoon.

Miss Mae Fitzgerald of Brooklyn was carried down with the trestle and would have been injured seriously except for the quick action of Delmar Clark, a New York actor, who was a member of the party. Mr. Clark jumped clear of the wreckage and pushed the timbers from the girl. Miss Fitzgerald received a deep gash on the hip.

Leo Steiner of New York was bruised severely and the remainder of the party received many scratches. The young women of the party were in a hysterical condition when they reached the village.

The other members of the party were Miss Ada Clark, a New York actress; Miss Marie French of Brooklyn; Miss Mable Clossy of Jersey City; Denis A. Hogan, a New York artist, and Augustus Pease of New York.

MURPHY PRODS SULZER TO TELL OF MONEY BAG

Denies Governor's Charge That He Received Funds From "Bagman."

Charles F. Murphy, the Tammany leader, gave out for publication last night a letter sent to Senator Frawley in which he challenges Gov. Sulzer to produce any evidence he may have as to misconduct on Mr. Murphy's part regarding campaign contributions and announces his willingness to appear before the Frawley committee at any time. The letter follows:

"Dear Sir:—This morning's papers report Gov. Sulzer as saying that 'large contributions from the contractors, the officeholders, the special interests and from Democrats interested in the campaign were made through the bagman direct to Mr. Murphy.'"

"These insinuations are untrue. If Gov. Sulzer has any information as to misconduct on my part relating to campaign contributions I request him to furnish it to your committee and I will appear for examination at any time. Yours truly,

"CHARLES F. MURPHY."

The letter was given out by Mr. Murphy himself at his home, 305 East Seventeenth street. It is a most unusual thing for Mr. Murphy to give out letters. The only thing approaching his action of last night was his issuance of a statement recently denying allegations made by Gov. Sulzer as to being urged by the Tammany leader to make certain appointments and challenging him to produce proof of such allegations.

Mr. Murphy was asked if he had anything to say in addition to the letter.

"I guess not," he answered, and smiled as if he were satisfied with everything in it.

ALBANY, July 31.—Gov. Sulzer refused to-night to discuss Mr. Murphy's letter to Senator Frawley asking that the Governor be invited to give the committee all the information he has about the campaign contributions received by the Tammany leader.

MEARS TO LAND TO-MORROW.

"Evening Sun" Globe Trotter Tells of Fast Time Made by Ship.

The following wireless message was received by THE EVENING SUN yesterday from John Henry Mears, its representative, who is making a tour of the world against time.

"About 8 P. M. Express of Russia, July 31 (by wireless via Victoria, B. C.)—I shall arrive off William Head, outside the port of Victoria, before daylight on Saturday morning."

"I am now trying by wireless to make arrangements to have the Canadian Government expedite my passage through quarantine and allow me to leave the liner immediately instead of waiting for day-break. The Seattle Yacht Club will have a yacht ready to take me off."

"The ship is making remarkable time. The day's run to noon yesterday was 445 miles. The records for the four days previous were 452, 454, 446 and 474 miles."

"The sea has been calm, weather clear, things look promising for record breaking."

SEATTLE, Wash., July 31.—The Seattle Yacht Club will make the distinction of helping John Henry Mears, THE EVENING SUN's globe trotter, on his round the world trip.

The seventy foot power yacht Maud E. owned by Vince Faben, left to-day for Victoria to meet Mears at the British Columbia quarantine station when he arrives Friday night or Saturday morning on the Coast Limited, leaving at 7:10 P. M. Each railway has authorized holding its crack train up two hours if such delay will enable Mears to catch it.

CALL TRUSTED EMPLOYEE THIEF.

Illinois Co. Bookkeeper Accused of Stealing to Speculate.

C. M. Gleason, 54 years old, of 27 Monroe place, Brooklyn, who was for many years confidential bookkeeper in the office of the Illinois Company, at 52 William street, was arrested yesterday afternoon on the complaint of Charles E. Kimball, one of the officials of the company, who charged him with stealing three bonds of the Litchfield and Madison Railway Company. When arraigned before Magistrate Levy in the Tombs court Gleason pleaded not guilty and was held in \$10,000 bail for the Grand Jury.

It is alleged in the complaint that Gleason pledged the bonds with a brokerage firm to secure a speculative account in his own name and was led to confess when an auditor came to the office of the Illinois Company to audit the books of another company.

JOHN PURROY MITCHEL WINS FUSION NOMINATION FOR MAYOR



Selected by the Fusion Committee as its candidate for Mayor.

Collector of Port Named by General Committee on Ninth Ballot.

DEADLOCK FOR HOURS

Break Comes at 2:20 A. M., When McAneny Forces Give Up Fight.

FINAL VOTE IS 45 TO 43

No Votes for McAneny at the Finish—Scenes of Great Disorder in Hall.

MITCHEL TICKET IN TOO

Choice Made Unanimous—Winner Led On All But Third Ballot.

John Purroy Mitchel, Collector of the Port of New York, was nominated for Mayor at 2:20 o'clock this morning by the general fusion committee after nine ballots had been taken. The final ballot was registered amid scenes of great disorder. Everybody appeared to get excited when it was realized that a crucial moment had been reached in the long session.

On the final ballot no vote was recorded for George McAneny, Borough President of Manhattan and his champion on the floor, Joseph M. Price, chairman of the executive committee, moved that the selection of Mr. Mitchel be made unanimous. The motion was carried with a shout. Mr. Mitchel received 45 votes on the ninth ballot and no vote on District Attorney Whitman by a narrow margin of two.

Despite the fact that the adherents of Mr. McAneny had met during a recess and voted overwhelmingly to stand by the candidate it was apparent after the secretary began to call the roll for the final test of strength that his followers were losing heart. As the names were called now one man, now another voted either for Mr. Mitchel or Mr. Whitman. Mitchel was seen to be gaining steadily and his supporters made open demonstration of their satisfaction.

The McAneny men, realizing the drift toward the Collector and desiring that Whitman should win rather than Mitchel tried to put the brakes on. Here and there a man stood up to shout out something that was lost on ears strained to hear the answers of the voting committee.

Chairman Hapgood was pounding the table with his improvised gavel, but apparently without success in restoring anything like calm.

Scene of Great Disorder.

William H. Hotchkiss, William Loeb, Jr., and Henry L. Stimson got to their feet and begged their fellow members to restrain themselves.

"We have not to be careful of this meeting and this committee is going to fail of its purpose," shouted Mr. Hotchkiss.

"Order! Order!" was shouted from other parts of the room.

The McAneny men were yelling that they wanted to change their votes. The Whitman men knew that this meant gains for them and they took up the protest against the further reading of the list until the chair should rule. The Mitchel men declared that there should be no changing of votes, that every man should speak once and let it go at that. Every suggestion was greeted with howls. Some one got a motion to Mr. Hapgood's ears to have the whole list read over again and finally out of the hubbub came the voice of the chairman.

"The chair rules that the secretary shall read the list again and that any member of this committee may change his vote."

Mr. Stimson moved that a new ballot be taken. There was more shouting. Not a member of the committee was in his seat and it seemed as if he too had been among the stanchest of Mr. McAneny's friends. The Mitchel men renewed their jubulations. One of them jumped to his feet with the exclamation:

"We've won, we've won!" and then there was another scene of general disorder, but of another kind than had characterized the discussion on the proposition to re-read the list of names.

Then came the announcement of the tally and the word of the chairman that Mr. Mitchel was the choice of the committee. The McAneny men had evidenced considerable bitterness at the turn affairs had taken when the final ballot was made. No sooner was the successful candidate announced, however,

BRADY'S DEATH ONLY HALTS BIG OIL DEAL

Great Fleet of Tank Steamers to Bring Mexican Product to Gulf Ports.

TO OPPOSE STANDARD CO.

Cowdray Interests and American Financial Syndicate in the Scheme.

Special Cable Dispatch to The Sun.

LONDON, July 31.—The death of Anthony N. Brady, the American financier, at the Carlton Hotel on July 22 merely postponed a most important oil deal between the Cowdray Mexican interests, who own what are known as the Pearson oil fields, and an American financial syndicate. While the amount involved is not specifically mentioned, THE SUN correspondent learns that it runs into many millions.

The scheme, which was projected by Richmond Severing, whose interests in the Indiana and Oklahoma fields made him a conspicuous figure in the oil world and with whom Mr. Brady was discussing the details during his last visit to London, involves the building of a great fleet of tank steamers to ply between Mexico and ports on the Gulf of Mexico to furnish crude oil to gas companies.

While Daniel O'Day, Jr., son of one of the original founders of the Standard Oil Company, is understood to be interested in the scheme, it is not at all a Standard Oil plan, and by importing into the United States the product of the wells controlled by Baron Cowdray, formerly Sir Westman Pearson, it would come directly into opposition to the Standard corporation.

The projectors of the scheme assert that the supply of crude oil as far as gas manufacture is concerned is practically cut off from the United States by the Standard Oil Company, and in order to obtain an adequate supply it is necessary to apply to the Cowdray group.

While nothing has been definitely settled yet, it is regarded as certain that the group organized by Mr. Brady is ready to build a second fleet of tank steamers to transport crude oil from Mexico direct to England to enable the Cowdray group to carry out the contract with the Admiralty which Winston Churchill, the First Lord, recently announced in the House of Commons.

In outlining the British Government's naval policy for 1914-15 in the House of Commons on July 17 Winston Churchill devoted an hour to the question of oil fuel for warships. He said the Government had a scheme by which it would be protected in case of war from a lack of oil fuel and in time of peace from rise in prices. The ultimate aim of the Admiralty, he said, was to become an independent owner and producer of its own supplies of oil fuel by building up a sufficient reserve supply at home.

In the meantime, Mr. Churchill explained, it intended to make a series of contracts for about five years in order to be able to depend on regular, reasonable and steady prices for oil.

LEASES RUMANIAN FIELDS.

Standard Oil Company Acquires Them for 20 Years.

Special Cable Dispatch to The Sun.

HAVANA, July 31.—The *Hamburger Nachrichten* says the Standard Oil Company has acquired a twenty year lease on the Sfetesco property of 2,000 acres and other important land concessions in Rumania.

SUES J. P. MORGAN FOR INJURY.

Boy Says He Was Hit by Car in Which Mrs. Satterlee Was Riding.

A suit against J. Pierpont Morgan for damages on the ground of personal injuries was disclosed in the Supreme Court yesterday when Jacob Kunstler, 19, of 1486 First avenue, had his father, Solomon Kunstler, appointed his guardian ad litem by Justice Donnelly to sue Mr. Morgan.

Abraham Kutz of 116 Nassau street, Kunstler's attorney, said that on July 2 last the boy, who is an amateur athlete, was crossing Third avenue at Fifty-second street when he was knocked down by an automobile, sustaining an injury to the right foot. The car stopped and took the boy to the Flower Hospital.

Kutz says that the driver of the East Fifth street street states that the car was owned by J. P. Morgan and that Mrs. Herbert Satterlee, Mr. Morgan's sister, was in it.

LOSES \$25,000 ON HORSE.

Prince Palatine, Bought Wednesday for \$250,000, Finishes Fourth.

Special Cable Dispatch to The Sun.

LONDON, July 31.—Prince Palatine, the horse which won the Ascot Gold Cup and for which J. B. Joel paid \$250,000 yesterday, disappointed his backers to-day, when he ran fourth in the race for the Goodwood Cup. Prince Palatine was a hot favorite and those which outraced him were rank outsiders.

One of the conditions of the sale of the horse to Mr. Joel was that \$25,000 should be taken off the purchase price if Prince Palatine lost any succeeding race this season. The price is therefore that much less.